

**Approvals**

**City Attorney**

**Finance Director**

**City Manager**



**TEMECULA COMMUNITY SERVICES DISTRICT  
AGENDA REPORT**

**TO:** General Manager/Board of Directors  
**FROM:** Jennifer Hennessy, Finance Director  
**DATE:** December 8, 2015  
**SUBJECT:** Approve Financial Statements for the 1<sup>st</sup> Quarter Ended September 30, 2015

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**PREPARED BY:** Pascale Brown, Accounting Manager  
Jordan Snider, Accountant

**RECOMMENDATION:** That the Board of Directors:

1. Receive and file the Financial Statements for the 1<sup>st</sup> Quarter Ended September 30, 2015.
2. Approve an increase of \$41,374 in Public Art revenue transfers from Fund 120 (Development Impact Fees) to Public Art Fund.

**BACKGROUND:** The attached Financial Statements reflect the unaudited activity of the Temecula Community Services District for the 1<sup>st</sup> Quarter Ended September 30, 2015. Please see the attached Financial Statements for an analytical review of financial activity.

**FISCAL IMPACT:** None

**ATTACHMENTS:**

1. Combining Balance Sheet as of September 30, 2015
2. Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the 1<sup>st</sup> Quarter Ended September 30, 2015.

# TEMECULA COMMUNITY SERVICES DISTRICT

## COMBINING BALANCE SHEET

as of September 30, 2015

	Parks & Recreation	Service Level B Street Lights	Service Level C Slope Maintenance	Service Level D Refuse Recycling
<b>ASSETS:</b>				
Cash and Investments	\$ 1,159,227	\$ 153	\$ 922,180	\$ 107,684
Receivables	55,722	5,543	3,309	71,720
Due from Other Funds	2,111	-	-	-
Deposit	4,994	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,222,054</b>	<b>\$ 5,696</b>	<b>\$ 925,489</b>	<b>\$ 179,404</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>LIABILITIES:</b>				
Other Current Liabilities	\$ 489,545	\$ 659	\$ 104,646	\$ 297
<b>TOTAL LIABILITIES</b>	<b>489,545</b>	<b>659</b>	<b>104,646</b>	<b>297</b>
<b>FUND BALANCES:</b>				
<b>Nonspendable:</b>				
Deposits	4,994	-	-	-
<b>Restricted For:</b>				
Community Services	0	5,037	254,416	173,969
<b>Committed To:</b>				
Contractual Obligations (Encumbrance)	727,515	-	566,427	5,138
<b>TOTAL FUND BALANCES</b>	<b>732,509</b>	<b>5,037</b>	<b>820,843</b>	<b>179,107</b>
<b>TOTAL LIABILITIES and FUND BALANCES</b>	<b>\$ 1,222,054</b>	<b>\$ 5,696</b>	<b>\$ 925,489</b>	<b>\$ 179,404</b>

NOTE: Balances are unaudited

**TEMECULA COMMUNITY SERVICES DISTRICT**  
**COMBINING BALANCE SHEET**  
**as of September 30, 2015**

	Service Level R Street Road Maintenance	Service Level L Lake Park Maint.	Library	Public Art	Intern Fellowship Program	Total
<b>ASSETS:</b>						
Cash and Investments	\$ 19,682	\$ 254,635	\$ 333,072	\$ 32,532	\$ 363	\$ 2,829,528
Receivables	161	771	755	51	1	138,033
Due from Other Funds	-	-	-	-	-	2,111
Deposit	-	-	-	-	-	4,994
<b>TOTAL ASSETS</b>	<b>\$ 19,843</b>	<b>\$ 255,406</b>	<b>\$ 333,827</b>	<b>\$ 32,583</b>	<b>\$ 364</b>	<b>\$ 2,974,666</b>
<b>LIABILITIES AND FUND BALANCES:</b>						
<b>LIABILITIES:</b>						
Other Current Liabilities	\$ -	\$ 12,485	\$ 64,785	\$ -	\$ 333	\$ 672,750
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>12,485</b>	<b>64,785</b>	<b>-</b>	<b>333</b>	<b>672,750</b>
<b>FUND BALANCES:</b>						
<b>Nonspendable:</b>						
Deposits	-	-	-	-	-	4,994
<b>Restricted For:</b>						
Community Services	19,843	163,911	49,235	32,583	31	666,442
<b>Committed To:</b>						
Contractual Obligations (Encumbrance)	-	79,010	219,807	-	-	1,597,897
<b>TOTAL FUND BALANCES</b>	<b>19,843</b>	<b>242,921</b>	<b>269,042</b>	<b>32,583</b>	<b>31</b>	<b>2,301,916</b>
<b>TOTAL LIABILITIES and FUND BALANCES</b>	<b>\$ 19,843</b>	<b>\$ 255,406</b>	<b>\$ 333,827</b>	<b>\$ 32,583</b>	<b>\$ 364</b>	<b>\$ 2,974,666</b>

NOTE: Balances are unaudited

# TEMECULA COMMUNITY SERVICES DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL CITYWIDE OPERATIONS for the 1st Quarter Ended September 30, 2015

	Annual Amended Budget	YTD Activity	Encumbrances	Total Activity	% Budget	
<b>REVENUES:</b>						
Special Tax (Measure C)	\$ 1,867,640	\$ 21,501	\$ -	\$ 21,501	1%	(1)
Recreation Funding(General Fund)	4,601,783	\$ 1,554,165	-	1,554,165	34%	
Recreation Program	2,477,139	\$ 821,336	-	821,336	33%	
Investment Interest	800	1,509	-	1,509	189%	(2)
<b>TOTAL REVENUES</b>	<b>8,947,362</b>	<b>2,398,511</b>	<b>-</b>	<b>2,398,511</b>	<b>27%</b>	
<b>EXPENDITURES:</b>						
General Operations	2,480,018	516,159	42,782	558,941	23%	
Senior Center	296,236	71,016	23,919	94,935	32%	
Community Recreation Center (CRC)	825,775	224,661	57,286	281,947	34%	
Recreation Programs	667,618	170,979	125,821	296,800	44%	
Temecula Community Center (TCC)	213,560	45,051	15,984	61,035	29%	
Museum	296,724	66,754	19,769	86,523	29%	
Aquatics	753,119	210,563	103,151	313,714	42%	
Sports	342,230	71,005	36,498	107,503	31%	
Children's Museum	274,200	58,251	26,153	84,404	31%	
Community Theater	1,145,606	239,621	164,332	403,953	35%	
Cultural Arts	317,453	80,022	12,280	92,302	29%	
Harveston Center	193,592	44,055	58,027	102,082	53%	
Conference Center	82,005	18,809	1,063	19,872	24%	
Human Services	240,394	43,848	21,593	65,441	27%	
Facility YMCA	22,000	1,804	570	2,374	11%	
Jefferson Recreation Center	53,394	20,445	14,484	34,929	65%	
Contract Classes	776,765	153,694	1,476	155,170	20%	
Park Rangers	7,505	672	2,327	2,999	40%	
<b>TOTAL EXPENDITURES</b>	<b>8,988,194</b>	<b>2,037,409</b>	<b>727,515</b>	<b>2,764,924</b>	<b>31%</b>	<b>(3)</b>
Revenues Over/(Under) Expenditures and Transfers	(40,832)	361,102				
Beginning Fund Balance as of 7/01/2015	371,407	371,407				
Ending Fund Balance as of 9/30/2015	<u>\$ 330,575</u>	<u>\$ 732,509</u>				

**NOTES:**

(1) Special assessment taxes are primarily received in January and May each fiscal year.

(2) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.

(3) The variance in expenditures is due to encumbrances that are recorded for the entire year.

**TEMECULA COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SERVICE LEVEL B - RESIDENTIAL STREET LIGHTS**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	Total YTD Activity	% of Budget	
<b>REVENUES:</b>				
Assessments	\$ 641,384	\$ 5,489	1%	(1)
Recreation Funding(General Fund)	390,888	139,630	36%	(2)
Investment Interest	-	85		(3)
<b>TOTAL REVENUES</b>	<u>1,032,272</u>	<u>145,204</u>	14%	
<b>EXPENDITURES:</b>				
Salaries and Wages	11,150	3,002	27%	
Street Lighting Fees	1,007,352	159,660	16%	
Property Tax Admin Fees	13,770	-	0%	
<b>TOTAL EXPENDITURES</b>	<u>1,032,272</u>	<u>162,662</u>	16%	
Revenues Over/(Under) Expenditures	-	(17,458)		
Beginning Fund Balance as of 7/01/2015	<u>22,495</u>	<u>22,495</u>		
Ending Fund Balance as of 9/30/2015	<u>\$ 22,495</u>	<u>\$ 5,037</u>		

**NOTES:**

- (1) Special assessment taxes are primarily received in January and May each fiscal year.  
(2) Contribution is funded based on operational needs of Service Level B activities.  
(3) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.



**TEMECULA COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SERVICE LEVEL C - PERIMETER LANDSCAPING**  
**AND SLOPE MAINTENANCE**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
<b>REVENUES:</b>						
Assessments	\$ 1,584,413	\$ -	\$ -	\$ -	0%	(1)
Reimbursements	-	4,236	-	4,236		(2)
Investment Interest	5,010	2,082	-	2,082	42%	(3)
<b>TOTAL REVENUES</b>	<b>1,589,423</b>	<b>6,318</b>	<b>-</b>	<b>6,318</b>	<b>0%</b>	
<b>EXPENDITURES:</b>						
Zone 1 Saddlewood	45,248	9,087	18,549	27,636	61%	
Zone 2 Winchester Creek	80,690	6,331	12,393	18,724	23%	
Zone 3 Rancho Highlands	65,441	25,065	21,258	46,323	71%	
Zone 4 The Vineyards	7,790	2,067	2,681	4,748	61%	
Zone 5 Signet Series	40,043	7,722	11,136	18,858	47%	
Zone 6 Woodcrest Country	32,411	3,502	6,491	9,993	31%	
Zone 7 Ridgeview	20,451	5,193	7,677	12,870	63%	
Zone 8 Village Grove	131,241	29,617	46,646	76,263	58%	
Zone 9 Rancho Solana	10,971	475	464	939	9%	
Zone 10 Martinique	11,996	2,194	2,318	4,512	38%	
Zone 11 Meadowview	3,143	395	447	842	27%	
Zone 12 Vintage Hills	90,755	16,630	28,135	44,765	49%	
Zone 13 Presley Development	33,711	6,534	9,691	16,225	48%	
Zone 14 Morrison Homes	15,510	3,051	4,175	7,226	47%	
Zone 15 Barclay Estates	10,392	2,152	4,374	6,526	63%	
Zone 16 Tradewinds	67,611	4,487	11,974	16,461	24%	
Zone 17 Monte Vista	2,954	450	657	1,107	37%	
Zone 18 Temeku Hills	100,074	17,449	37,818	55,267	55%	
Zone 19 Chantemar	67,362	8,369	16,785	25,154	37%	
Zone 20 Crowne Hill	193,436	38,664	50,191	88,855	46%	
Zone 21 Vail Ranch	250,574	48,858	94,637	143,495	57%	
Zone 22 Sutton Place	4,703	839	1,458	2,297	49%	
Zone 23 Pheasant Run	8,985	1,378	2,250	3,628	40%	
Zone 24 Harveston	163,544	42,526	55,069	97,595	60%	
Zone 25 Serena Hills	67,749	6,943	25,023	31,966	47%	
Zone 26 Gallery Tradition	3,825	343	473	816	21%	
Zone 27 Avondale	9,042	2,146	2,656	4,802	53%	
Zone 28 Wolf Creek	236,492	42,207	90,124	132,331	56%	
Zone 29 Gallery Portrait	6,809	465	877	1,342	20%	
<b>TOTAL EXPENDITURES</b>	<b>1,782,953</b>	<b>335,139</b>	<b>566,427</b>	<b>901,566</b>	<b>51%</b>	<b>(4)</b>
Revenues Over/(Under)						
Expenditures	(193,530)	(328,821)				
Beginning Fund Balance as of 7/01/2015	1,149,664	1,149,664				
Ending Fund Balance as of 9/30/2015	\$ 956,134	\$ 820,843				

**NOTES:**

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
- (2) A reimbursement was received from SoCal Water Smart for a prior fiscal year service
- (3) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
- (4) The variance in expenditures is due to encumbrances that are recorded for the entire year.

**TEMECULA COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SERVICE LEVEL D -**  
**REFUSE COLLECTION, RECYCLING & STREET SWEEPING**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
<b>REVENUES:</b>						
Assessments	\$ 7,206,905		\$ -	\$ -	0%	(1)
Recycling Program/Grant	32,335	13,996	-	13,996	43%	(2)
Investment Interest	1,000	779	-	779	78%	(3)
<b>TOTAL REVENUES</b>	<b>7,240,240</b>	<b>14,775</b>	<b>-</b>	<b>14,775</b>	<b>0%</b>	
<b>EXPENDITURES:</b>						
Salaries and Wages	98,013	24,009	-	24,009	24%	
Department of Conservation Grant	28,335	-	-	-	0%	
Refuse Hauling	7,002,738	-	-	-	0%	
Operating Expenditures	59,750	862	5,138	6,000	10%	
<b>TOTAL EXPENDITURES</b>	<b>7,188,836</b>	<b>24,871</b>	<b>5,138</b>	<b>30,009</b>	<b>0%</b>	<b>(4)</b>
Revenues Over/(Under) Expenditures	51,404	(10,096)				
Beginning Fund Balance as of 7/01/2015	189,203	189,203				
Ending Fund Balance as of 9/30/2015	<u>\$ 240,607</u>	<u>\$ 179,107</u>				

**NOTES:**

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
- (2) The variance is due to recycling grant program revenues received this quarter.
- (3) The variance is due to the change in the fair value on investments, fluctuating interest rates, and improved cash flows.
- (4) The variance in expenditures is due to the first payment to CR&R for refuse hauling services is not due until January 2015.

**TEMECULA COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SERVICE LEVEL R - STREETS AND ROADS**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	Total YTD Activity	% of Budget	
<b>REVENUES:</b>				
Assessments	\$ 5,532	\$ 114	2%	(1)
Investment Interest	100	37	37%	(2)
<b>TOTAL REVENUES</b>	<u>5,632</u>	<u>151</u>	3%	
<b>EXPENDITURES:</b>				
Emergency Street Maintenance	9,690	-	0%	
Property Tax Admin Fees	153	-	0%	
<b>TOTAL EXPENDITURES</b>	<u>9,843</u>	<u>-</u>	0%	(3)
Revenues Over/(Under) Expenditures	(4,211)	151		
Beginning Fund Balance as of 7/01/2015	<u>19,692</u>	<u>19,692</u>		
Ending Fund Balance as of 9/30/2015	<u>\$ 15,481</u>	<u>\$ 19,843</u>		

**NOTES:**

- (1) Special assessment taxes are primarily received in January and May each fiscal year.  
(2) The variance is due to the change in the fair value on investment as well as fluctuating interest rates.  
(3) The variance is due to less than anticipated Emergency Street Maintenance repair during this quarter.



**TEMECULA COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**SERVICE LEVEL L - LAKE PARK MAINTENANCE**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	Total YTD Activity	Encumbrances	Total Activity	% of Budget	
<b>REVENUES:</b>						
Assessments	\$ 232,434	\$ -	\$ -	\$ -	0%	(1)
Harveston Lake Boat Fees	3,600	2,383	-	2,383	66%	(2)
Investment Interest	1,300	524	-	524	40%	(3)
<b>TOTAL REVENUES</b>	<u>237,334</u>	<u>2,907</u>	<u>-</u>	<u>2,907</u>	1%	
<b>EXPENDITURES:</b>						
Salaries and Wages	22,359	5,584	-	5,584	25%	
Operating Expenditures	<u>222,258</u>	<u>43,279</u>	<u>79,010</u>	<u>122,289</u>	55%	
<b>TOTAL EXPENDITURES</b>	<u>244,617</u>	<u>48,863</u>	<u>79,010</u>	<u>127,873</u>	52%	(4)
Revenues Over/(Under) Expenditures	(7,283)	(45,956)				
Beginning Fund Balance as of 7/01/2015	<u>288,877</u>	<u>288,877</u>				
Ending Fund Balance as of 9/30/015	<u>\$ 281,594</u>	<u>\$ 242,921</u>				

**NOTES:**

- (1) Special assessment taxes are primarily received in January and May each fiscal year.
- (2) Lake Boat fees revenues are expected by the end of this fiscal year.
- (3) The variance is due to the change in the fair value on investment as well as fluctuating interest rates.
- (4) The variance in expenditures is due to encumbrances that are recorded for landscape maintenance services for the entire fiscal year.

**TEMECULA COMMUNITY SERVICES DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES,**  
**and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

**TEMECULA LIBRARY**  
**for the 1st Quarter Ended September 30, 2015**

	Annual Amended Budget	YTD Activity	Encumbrances	Total Activity	% of Budget
<b>REVENUES:</b>					
Library Services	\$ 135,925	\$ 36,673	\$ -	\$ 36,673	27%
Recreation Funding(General Fund)	644,205	161,051	-	161,051	25%
Investment Interest	1,700	421	-	421	25%
<b>TOTAL REVENUES</b>	<b>781,830</b>	<b>198,145</b>	<b>-</b>	<b>198,145</b>	<b>25%</b>
<b>EXPENDITURES:</b>					
Salaries and Wages	48,700	11,954	-	11,954	25%
Operating Expenditures	811,276	193,666	219,807	413,473	51%
<b>TOTAL EXPENDITURES</b>	<b>859,976</b>	<b>205,620</b>	<b>219,807</b>	<b>425,427</b>	<b>49% (1)</b>
Revenues Over/(Under) Expenditures	(78,146)	(7,475)			
Beginning Fund Balance as of 7/01/2015	<u>276,517</u>	<u>276,517</u>			
Ending Fund Balance as of 9/30/2015	<u>\$ 198,371</u>	<u>\$ 269,042</u>			

**NOTES:**

(1) The variance in expenditures is due to encumbrances that are recorded for library services for the entire fiscal year.

# TEMECULA COMMUNITY SERVICES DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

### PUBLIC ART

for the 1st Quarter Ended September 30, 2015

	Annual Amended Budget	Total YTD Activity	% of Budget	
<b>REVENUES:</b>				
Public Art Revenues	\$ 26,108	\$ 820	3%	(1)
Operating Transfer In		31,709		
Investment Interest	<u>-</u>	<u>54</u>		
<b>TOTAL REVENUES</b>	<u>26,108</u>	<u>32,583</u>	125%	
<b>EXPENDITURES:</b>				
Operating Transfer Out	<u>67,482</u>	<u>-</u>	0%	(2)
<b>TOTAL EXPENDITURES</b>	<u>67,482</u>	<u>-</u>	0%	
Revenues Over/(Under) Expenditures	(41,374)	32,583		
Beginning Fund Balance as of 7/01/2015	<u>-</u>	<u>-</u>		
Ending Fund Balance as of 9/30/2015	<u>\$ (41,374)</u>	<u>\$ 32,583</u>		(3)

#### NOTES:

- (1) The variance is due to the revenues expected to be received in the second quarter  
(2) The Capital Improvement Project (CIP) "City Hall Exterior LED Lighting "Light it Up" project budgeted with this fund has not yet started.  
(3) The variance is due to transfer in was not included in the original budget. An increase of \$ 41,374 in revenues transfers are included with this agenda.

# TEMECULA COMMUNITY SERVICES DISTRICT

## STATEMENT OF REVENUES, EXPENDITURES, and CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

### INTERN FELLOWSHIP PROGRAM

for the 1st Quarter Ended September 30, 2015

	Annual Amended Budget	Total YTD Activity	% of Budget
<b>REVENUES:</b>			
Operating Transfers In(General Fund)	\$ 19,645	\$ 4,908	25%
<b>TOTAL REVENUES</b>	<u>19,645</u>	<u>4,908</u>	25%
<b>EXPENDITURES:</b>			
Salaries and Wages	<u>19,645</u>	<u>5,539</u>	28%
<b>TOTAL EXPENDITURES</b>	<u>19,645</u>	<u>5,539</u>	28%
Revenues Over/(Under) Expenditures	-	(631)	
Beginning Fund Balance as of 7/01/2015	<u>662</u>	<u>662</u>	
Ending Fund Balance as of 9/30/2015	<u>\$ 662</u>	<u>\$ 31</u>	